

The complaint

Mr M complains about the service he received from Barclays Bank UK PLC ("Barclays") when cancelling a direct debit with his local Council. In particular, he is unhappy with Barclays messages as he believes they imply when cancelling a direct debit with it he also has to inform the service provider of this resulting in him calling the Council a second time unnecessarily.

What happened

Mr M contacted his local Council about cancelling his direct debit with it. He was advised that he just had to cancel it in the banking app.

Mr M took this advice and cancelled his direct debit using the Barclays banking app. Following this he received a text message stating:

"Your Direct Debit to X Council has been cancelled. Cancel it with the company as well to make sure they stop taking the payments."

Mr M was unhappy about this as he'd already spoken to the Council about the cancellation of the direct debit and so found this message unhelpful and ambiguous resulting in him wasting unnecessary time in having to make a second call to the Council to ensure the direct debit had been cancelled.

Mr M complained about this to Barclays and suggested alternative wording such as "It may be necessary to cancel it with the company as well to make sure they stop taking the payment".

Barclays didn't uphold Mr M's complaint as the correct processes were followed and there was no error in its messaging. Barclays didn't agree that this alternative would sufficiently convey the need to contact the organisation but said it would pass on this feedback.

Mr M was dissatisfied with this and so brought his complaint to this service. Mr M says he's not disputing that a customer should make the organisation they've been paying aware that they have or intend to cancel their direct debit, but rather that he doesn't agree with how the text message was worded as its tone is urgent and suggests it's something that must be done or else the organisation will continue to be able to take money from the account. To resolve the complaint Mr M wants to be compensated £500.

One of our investigators looked into Mr M's concerns but didn't agree Barclays had made an error or treated Mr M unfairly. They thought the text message received from Barclays filled its purpose to confirm that the direct debit had been cancelled as well as advising to also contact the organisation they'd been paying that they wish to cancel the direct debit.

They explained that although a direct debit may be cancelled with the bank this doesn't cancel any agreements with the organisation and that organisation may continue to request payments leading to serious consequences such as late or missed payments, incurring fees and charges and having a negative impact on a person's credit file.

And so although the wording might not be perfect they didn't think it wrong of Barclays to convey this message in the way it did as it is important customers contact the direct debit recipient organisation as well to avoid any negative potential consequences.

Mr M disagreed and has asked for an ombudsman's decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I hope that Mr M won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be the crux of the complaint. Our rules allow me to do that. And the crux of Mr M's complaint is about the text message he received from Barclays following the cancelling of his direct debit with the Council through its banking app. Mr M believes this message is misleading and creates an unnecessary obligation on the customer to contact the organisation resulting in inconvenience, anxiety and stress.

It might be helpful to explain here I don't have the power to tell Barclays how it needs to run its business and I can't make Barclays change its systems or policies – such as how or when it cancels direct debits or the messages it conveys during the process. These are commercial decisions and not something for me to get involved with. Nor can I explain why a business takes the actions it does or what policies a business needs to have in place or what regulations it needs to follow – that is the role of the regulator in this case the Financial Conduct Authority (FCA).

My role rather is to look at problems that Mr M has experienced and see if Barclays has done anything wrong or treated him unfairly. If it has, I'd seek to put Mr M back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

And after considering everything I'm in agreement with our investigator and don't think there is anything much more of use I can add.

The text message Mr M received I think seems reasonably clear to me in that it conveys the message that the direct debit has been cancelled but that you should also contact the organisation the direct debit is with to ensure this has happened.

I appreciate the message could be interpreted to suggest payments might still be taken which is unlikely, but that doesn't mean it couldn't happen. Direct Debits can be set up and cancelled at any time by either party and neither are under an obligation to inform the other party they've taken this action. So to ensure everyone is on the same page I think it is important all parties are contacted when there is a change to a payment.

I also appreciate Mr M feels his time has been wasted as he'd already contacted the Council once about this. But not every customer's situation is the same and although I wouldn't tell Barclays how it needs to communicate these types of messages, I don't think it is unreasonable for it to provide a standardised automated message in this situation. As given the amount of direct debits set up and cancelled at any one time it would be completely impractical to personalise messages around this.

I understand that Mr M believes Barclays should change the wording in the message it uses, but as I've already explained it's not for this service to tell Barclays what systems it should have in place to run its business or how to convey messages to its customers.

And ultimately the message Barclays has decided to use – as it is entitled to do – is I think a failsafe message to limit any adverse consequences for customers when cancelling direct debits. In any case, I can see that Barclays has passed on Mr M's feedback regarding the message which I think is reasonable.

And so it follows that I don't think Barclays have done anything wrong or treated Mr M unfairly and I don't uphold this complaint.

My final decision

For the reasons I've explained, I do not uphold Mr M's complaint against Barclays Bank UK PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 24 February 2025.

Caroline Davies
Ombudsman